

(c) The Equal Housing Lender Poster specified in this section was adopted under §110.25(b) of the United States Department of Housing and Urban Development's rules and regulations as an authorized substitution for the poster required in §110.25(a) of those rules and regulations.

[54 FR 52930, Dec. 26, 1989. Redesignated at 56 FR 50039, Oct. 3, 1991, as amended by 59 FR 52667, Oct. 19, 1994]

### Subpart B—Recordkeeping Requirements

#### §338.5 Purpose.

The purpose of this subpart B is twofold. First, this subpart B requires insured State nonmember banks to collect information about the applicant's race and other personal characteristics in applications for home loans. In some instances, additional information concerning the applicant, the loan, and the subject property must be collected. Such information is collected in order to monitor an institution's compliance with the Equal Credit Opportunity Act of 1974 (15 U.S.C. 1691-91f), and serves as a substitute monitoring program as permitted by Regulation B of the Federal Reserve System (12 CFR 202.13(d)). Second, this subpart B notifies banks of their duty to maintain a register of home loan applications pursuant to Regulation C of the Federal Reserve System (12 CFR part 203), requires that the register be updated on a timely basis, and requires covered institutions to record data as to race or national origin, sex, and income for all applicants. The register format required by Regulation C is shown in appendix A to subpart B of this part. Appendix B to subpart B of this part refers banks to the instructions contained in Regulation C for completion of the register.

[56 FR 50039, Oct. 3, 1991]

#### §338.6 Definitions applicable to subpart B of this part.

For purposes of subpart B of this part—

(a) *Application* means an oral or written request for an extension of credit that is made in accordance with procedures established by a creditor for the type of credit requested.

(b) *Bank* means an insured State nonmember bank as defined in section 3 of the Federal Deposit Insurance Act.

(c) *Dwelling* means a residential structure whether or not that structure is attached to real property. The term includes, but is not limited to, an individual condominium, cooperative unit, or mobile or manufactured home.

(d) *Home improvement loan* means any loan that:

(1) Is stated by the borrower (at the time of the loan application) to be for the purpose of repairing, rehabilitating, or remodeling a dwelling; and

(2) Is classified by the financial institution as a home improvement loan.

(e) *Home purchase loan* means any loan secured by and made for the purpose of purchasing or refinancing a dwelling.

[56 FR 50040, Oct. 3, 1991]

#### §338.7 Recordkeeping requirements.

(a) *Records to be retained.*<sup>1</sup> (1) A bank which has no office located in a primary metropolitan statistical area ("PMSA") or a metropolitan statistical area ("MSA"), as defined by the Office of Management and Budget, or which has total assets as of December 31 of the preceding calendar year of \$10 million or less, shall request and retain the following information on home purchase loan applications (excluding applications received by telephone) for dwellings, occupied or to be occupied by the application as a principal residence, and containing one to four units:

(i) *Data on home purchase loan applicants.*

(A) Date of application.

(B) Case identification.

(1) Name.

(2) Address.

(3) Location (street address, city, State, and zip code) of subject property.

(C) Sex.

(D) Race/national origin, using the categories American Indian or Alaskan Native; Asian or Pacific Islander;

<sup>1</sup>These records are to be retained for the purpose of monitoring compliance and may not be used for the purpose of extending or denying credit or fixing credit terms where prohibited by law.